



Montgomery County Early Care and Education (ECE) Facility Loan Program Forgivable Loans for Homes and Centers Quick Guide

The Montgomery County ECE Facility Loan Program is an initiative that helps child care providers in Montgomery County, Maryland improve or grow their facilities.

The fund offers two main types of loans:

- Forgivable Loans for Homes and Centers (do not need to be paid back if requirements are met over time), up to \$74,000
- 0% Interest Loans for Centers (must be repaid, but with no interest), up to \$300,000

This one-pager only explains forgivable loans. For details on 0% interest loans, see the 0% Interest Loans Quick Guide.

What Are Forgivable Loans?

Forgivable loans are special loans that child care providers do not have to pay back if they meet the basic forgiveness requirements. These loans are designed to help improve the quality of or expand child care spaces.

Who Can Apply?

- Licensed child care providers in Montgomery County, MD
- Both family child care (home-based) and child care centers
- Providers with a published [Maryland EXCELS](#) rating
- Programs serving areas with a shortage of child care for infants and toddlers (based on [The State of Supply and Demand for Childcare in Montgomery County, MD report](#)), or those serving low-income and underserved communities

What Can the Loan Be Used For?

- Renovating or upgrading child care facility and spaces to improve quality
- Expanding to create more capacity
- Architect plans, building permits, construction costs, contractor insurance and licensing, zoning approval
- Purchasing furniture, fixtures, equipment and learning materials

Loan Details

Maximum Forgivable Amounts:

- Family Child Care Expansion: \$74,000
- Center Quality Improvement: \$74,000
- Family Child Care Quality Improvement: \$50,000

Loan Funding:

- Quality improvement: 50% upfront, 50% after progress and reporting
- Expansion: 30% upfront, 60% after contractor progress, 10% at completion

Repayment:

- No repayment if you:
 - Stay open and licensed for a five-year period
 - Complete 12 hours of business training each year
- Loan is forgiven over a five-year period (20% of loan per year)

Application/Funding Process

The application/funding process has three main steps:

- Step 1. Submit a Letter of Intent (LOI) the online portal: Short form to confirm eligibility.
- Step 2. Submit your Loan Application and Underwriting: If eligible, this step includes details on the business and project.
- Step 3. Loan Closing: If your application is approved, during this step the applicant completes paperwork, signs the loan documents, and starts the project.

Technical assistance is available to help at every step.

If you have any questions, email Laura Montas-Brown, ECE Program Manager, at laura.montas-brown@reinvestment.com.